

# Realty Trust Review

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## MARKET AND STATISTICAL ISSUE

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## REIT SHARE PRICES NOSEDIVE IN FACE OF ENERGY CRISIS BEAR MARKET

The stock market has been willing to believe the very worst over the past four weeks, the very worst about the U.S. economy, its governmental leaders and its society. This constitutes a crisis of confidence, by citizen and consumer, unparalleled in recent American history. Worse, it bespeaks despair about the American ability to cope with adversity.

So it's no wonder the stock market has plummeted 10.7% in the past month, the sharpest decline in such a short time since the 1929 crash. REIT shares mirrored this across-the-board selling, falling 12.5%, provoking many subscribers and investors to wonder if this was 1929 all over again.

This is a fundamental question because many economists are making a one-for-one correlation between energy use and GNP growth, saying that a reduction of even 5% in fuel use next year could bring a 2% decline in real GNP growth next year--in other words, a recession. Make no mistake about it, energy will be short this winter, even if the Arab oil cutoff is lifted.

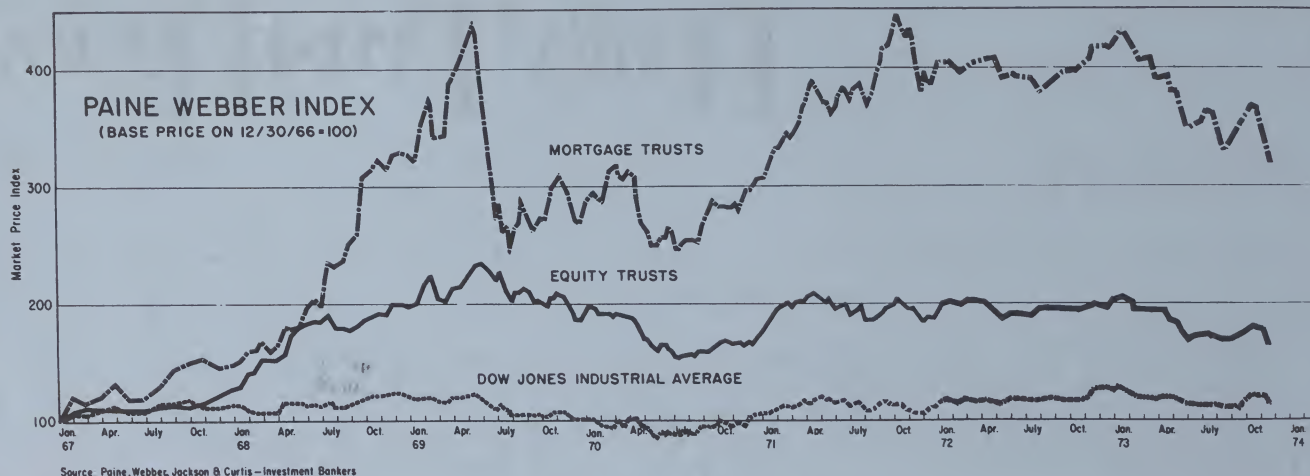
Several facts are worth noting because they've been generally shoved to the tail-end of news stories and TV shows. First, energy is a pervasive commodity that touches all aspects of economic activity. This pervasiveness makes an energy shortage difficult to analyze and impossible to avoid completely.

Your investment posture has to be predicated upon the fact that nobody knows all the answers. But searching through our life experiences, several periods with possible application suggest themselves. One is the 1930s in which the nation slowly rebuilt confidence badly scarred by the Great Depression. Another is the World War II years when rationing and shortages limited consumer spending and mobility. The next five years are likely to be a little bit of both, except the energy shortage may be more long-lasting than either a war or depression. There's the possibility that price and wage controls could make semi-utilities out of some basic industries like steel, railroads, petroleum and the like. If that is the shape of the future, then here is the investment posture that seems to make the most sense:

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PUBLISHED TWICE MONTHLY ON THE SECOND AND FOURTH FRIDAYS SUBSCRIPTION \$84 ANNUALLY SINGLE COPY \$5 GROUP RATES ON REQUEST



1. REITs with leveraged, variable-rate assets should do well. If inflation persists--and everything indicates it will--then property investments with locked-in long-term mortgages and revenue streams that hedge against inflation (such as percentages of sales, rent increases, etc.) are favored. This points toward equity trusts, and we favor those owning major urban center office and industrial buildings because apartments are sometimes vulnerable to tenant actions such as rent strikes, etc. Names: *First Union*, *Washington REIT*, *Pennsylvania REIT* suggest themselves, and the subordinated land trusts like *Caobt*, *Cabot & Forbes Land Trust*, *ICM Realty* and *Property Capital* in that order suggest themselves. *General Growth Properties* has an excellent shopping center position and development capabilities, but growth could be slowed by shorter retailing hours. We have difficulty in suggesting some newer equity trusts such as *Continental Illinois Properties* in this regard because holdings are largely in developmental stages. Interestingly, this group held up the best in last month's bath.

2. Conversely, highly leveraged short-term mortgage REITs probably are vulnerable. This is because these REITs have been under great pressure to expand their capital bases, likely through public or private sale of stock, preferred stock, or some other form of capital, with some possible dilution. One of the very best short-term trusts, *Citizens & Southern Realty*, saw quotations decline nearly 19% when it announced a one million share offering. There's some talk that the offering may be withdrawn but several other trusts--*Northern States Mortgage & Realty* (formerly *Income Mortgage*), *Investors Realty*, and *Justice Mortgage* are already in registration and several other trusts will come back to market the minute the market gets better.

#### COMPARATIVE TRUST GROUP AVERAGES 11/20/73

GROUP	N	SHARE (000)	BOOK VALUE	EST DIV*	EARN ANN*	LAST PRICE	% CHNG	P/E RATIO	EST* YIELD	% PR TO BK	RETURN ON BK	MARKET VALUE
EQUITY TRUSTS	21	1734	14.31	1.24	1.26	12.12	-7.5	9.6	10.2	-15.3	8.8	471.6
EQUITY AND MORTGAGE COMBINATION	18	1680	13.43	1.37	1.37	11.90	-10.7	8.7	11.5	-11.4	10.2	356.9
SUBORDINATED LAND TRUSTS	3	2684	18.21	1.99	1.99	19.71	-12.1	9.9	10.1	8.2	10.9	164.1
*AVERAGE 3 EQUITY GROUPS	42	1779	14.21	1.35	1.36	12.57	-9.4	9.3	10.7	-11.6	9.6	992.7
SHORT-TERM MTG-INDEPENDENT	6	5385	14.93	1.71	1.71	13.69	-12.6	8.0	12.5	-8.3	11.4	385.5
SHORT-TERM MTG-MTG BANKER	25	1939	17.85	2.17	2.22	17.63	-12.4	7.9	12.3	-1.2	12.5	926.7
SHORT-TERM MTG-COMCL BANK	16	2426	21.79	2.55	2.59	22.16	-16.1	8.5	11.5	1.7	11.9	931.9
SHORT-TERM-MISC FINCL	10	2636	18.24	2.65	2.72	19.95	-14.1	7.3	13.3	9.4	14.9	531.9
*AVERAGE 4 SHORT-TERM GROUPS	57	2561	18.72	2.32	2.36	18.89	-14.0	8.0	12.3	0.9	12.6	2776.0
INTERMEDIATE-TERM MORTGAGES	6	3387	18.70	2.17	2.17	17.36	-11.1	8.0	12.5	-7.2	11.6	334.1
LONG-TERM MTG & EQUITIES	25	2999	18.64	1.90	1.88	17.34	-12.6	9.2	11.0	-7.0	10.1	1291.7
*AVERAGE LONG & INTERMEDIATE TERM	31	3074	18.65	1.95	1.94	17.34	-12.3	8.9	11.3	-7.0	10.4	1625.8
OVERALL AVERAGE	130	2431	17.25	1.92	1.94	16.48	-12.5	8.5	11.6	-4.4	11.2	5394.5
DOW-JONES INDUSTRIAL AVERAGE					77.55	862.66	-10.7	11.1	4.0			

\*Estimated by annualizing latest quarter.



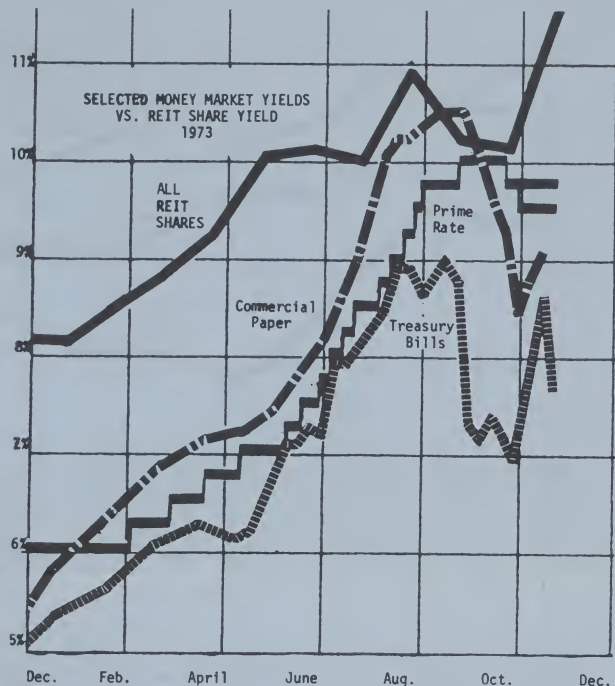
The higher leveraged trusts are under pressure to raise more capital by the commercial paper rating agencies, who are seeking lowered leverage. And if this pressure results in sale of new shares, then the trusts are peculiarly vulnerable to market price fluctuations in raising capital. For no trust wants to sell new shares below book value, yet at this month's prices barely three of every eight trusts--or 49 of 130 trusts--are selling above book value. Many could not raise new capital by selling new shares to meet commitments and hence may already be out of the market for new business. But investors should not automatically avoid all highly leveraged trusts because some of the highest-leveraged trusts sell for hefty premiums over book value and thus are in the best positions to raise new capital. Trusts with the highest price/book value ratios (and thus able to raise new equity most advantageously) are in order: *General Growth Properties*, *Great American Mortgage*, *North American Mortgage*, *BT Mortgage*, *Dominion Mortgage*, *Washington REIT*, *Chase Manhattan Trust*, *Citizens & Southern Realty*, *Cabot*, *Cabot & Forbes Land Trust*. In this category we would stick largely with this group of premier issues that can go back to the market.

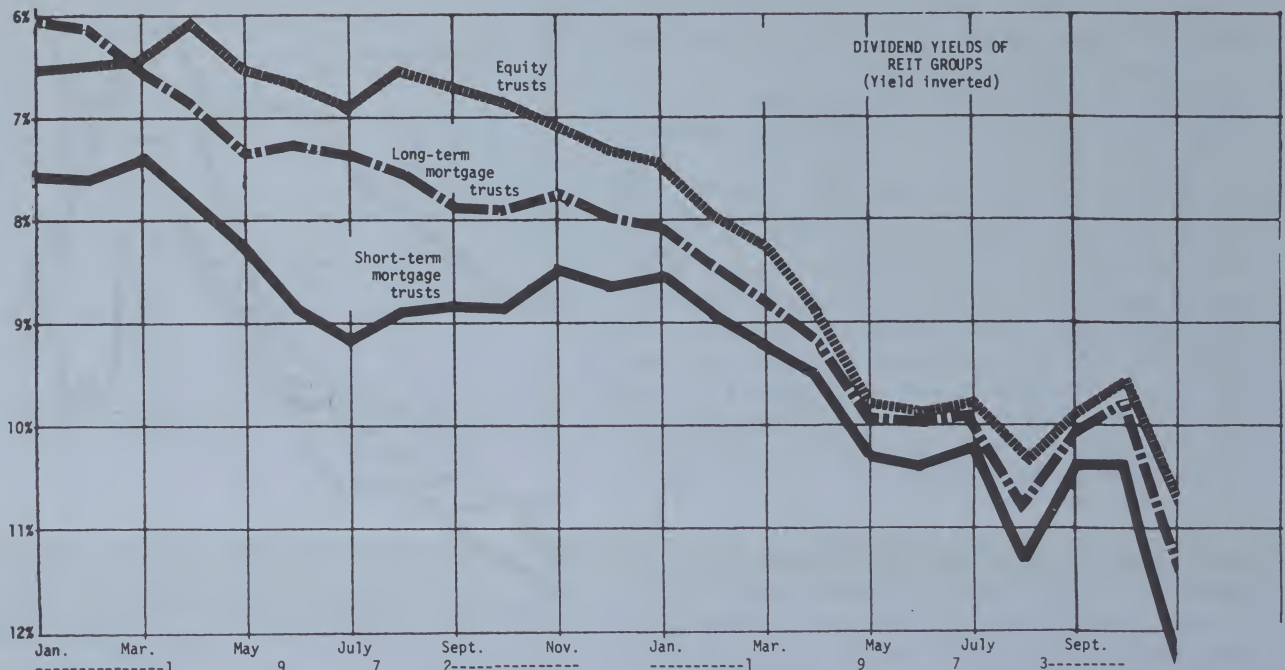
The month's market action produced some major losers and a very few gainers:

Largest gainers		Largest losers	
Washington REIT	+1.7%	Fidelity Mortgage	-40.8%
Real Est. Inv.Tr. Amer.	+1.4	Independence Mtg.	-35.5
Florida Gulf	+0.0	Cameron-Brown Inv.Gr.	-29.8
Riviere Realty	+0.0	Galbreath Mortgage	-28.7
Old Stone Mortgage	-0.9	Chase Man. Trust	-23.7

Gainers were largely centered in the equity trust group and smaller, less actively traded issues. *Fidelity Mortgage* (to repeat advisories of the two previous issues) expects lower earnings for the October, January and April quarters. Some brokerage analysts are now saying quarterly earnings could ultimately fall to \$0.25 per share (vs. \$0.90/share reported in the July quarter) and while we believe this is overly pessimistic, the shares will obviously be a long time recovering. *Independence* suffered from announcement that it may have lower quarterly earnings (it reported \$0.63 for the September quarter, down 10% from \$0.70 earlier) while it reviews the impact of trust holdings of about \$41 million loans (26½% of outstanding loans) made to joint ventures with U.S. Financial as a partner. U.S. Financial, the trust's former sponsor, filed for Chapter XI bankruptcy proceedings in July. While management believes it is adequately secured and no loss will result, the bankruptcy proceedings raise so many questions that the shares should now be used only in highly speculative accounts for prospects of longer-term recovery. *Cameron-Brown* and *Galbreath* both made large "special" or "non-recurring" provisions for losses which cut dividends sharply, discussed Oct. 29 and Nov. 12. *Chase Trust* has been weak on rumors of a major problem loan. The \$25 million loan in question was made to help finance purchase of a controlling interest in a real estate company; the loan is current, according to management.

*Continental Mortgage* is exchanging approximately 3.47 million shares for \$40 million of its 6.25% debentures. The debentures had been convertible at \$22.25 but with share prices well below that, the trust exchanged \$820 market value of shares valued at \$9.45 per share for \$1,000 principal debenture amount. The additional shares could decrease earnings by about \$0.02/quarterly; CMI earned \$0.28 per share in the September quarter.





### DIVIDENDS FALL BEHIND PREVIOUS QUARTER FOR FIRST TIME, RESULTS OF 'BIG BATH'

For the first time since we began our tally of quarterly dividend declarations two years ago, total payouts have fallen behind that of the preceding quarter, declining at a 7.4% annual rate. Payouts remained ahead of year-ago declarations by a slim 4.2%.

Although 13 trusts increased payouts from the previous quarter while only eight cut their dividends, major cuts by *Cameron-Brown*, off 30-cents or 41%; *American Century*, off 13-cents or 22%; and *BT Mortgage*, down 10-cents or 14%, accounted for the major declines. As noted last issue, *Cameron-Brown*'s cut represented a "big bath" approach of recognizing all possible losses in a special non-recurring quarterly provision for losses. While this approach has the merits of making good real estate sense, the non-recurring nature of such a charge often is lost in the shuffle and trust shareholders wind up the losers, in this case with market quotations down 29.7% in the month. *American Century*'s dividend cut reflected that fact that all retained earnings had been distributed in maintaining a \$0.58 quarterly rate in prior quarters even though earnings had declined. *BT Mortgage* ran into lower earnings simply because its rate spread was squeezed by higher interest costs.

It becomes increasingly clear that the big bath approach to loss provisions means instant death for trust shareholders. Three of the six largest losers last month (*C-B*, *Galbreath*, *BT*) have cut dividends sharply in the last month; and declines are believed imminent at two others, *Fidelity Mtg.* (see previous advisories) and *Independence Mtg.* Our tally:

-----Change from previous quarter-----

	Up	Same	Down	Tot.	% Ann.Chng.
Nov.	13	10	8	31	-7.4%

11 Mon.	236	108	69	413
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-----Change from previous year-----

	Up	Same	Down	Tot.	% Ann.Chng.
Nov.	17	2	13	32	+4.2%

11 Mon.	267	51	81	401
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	Record date	-Dividend per share- Latest	-Dividend per share- Previous	--Net Change-- Amt.	%	Extra	Year ago
American Century	11/75	\$ 0.45	\$ 0.58	-.13	-22.4	---	0.58
American Fletcher	11/28	0.70a	0.70	---	NC	---	0.67
American Realty	12/3	0.25	0.30	-.05	-16.7	---	0.15+.13 ex
Atico Mtg.	11/21	0.50	0.47	+.03	+6.4	---	0.56
BT Mortgage	11/26	0.60	0.70	-.10	-14.3	---	0.66
Baird & Warner	11/14	0.49	0.49	---	NC	.07	0.47+.14 ex
Barnett Mtg.	11/7	0.70	0.67	+.03	+4.5	---	0.63
Beneficial Std.	11/15	0.77	0.75	+.02	+2.7	---	0.65
Builders Investment Group	11/16	0.53c	---	---	---	---	---
C.I. Mortgage	11/15	0.15m	0.15	---	NC	---	0.19
Cameron-Brown Mtg.	11/21	0.43	0.73	-.30	-41.1	---	0.67
Citizens Growth	11/26	0.41	0.40	+.01	+2.5	---	0.36
Colwell Mtg.	11/7	0.80	0.76	+.04	+5.3	---	0.70
First Mtg. Inv.	10/30	0.49	0.49	---	NC	---	0.57
First Pa. Mtg.	11/23	0.48	0.52	-.04	-7.7	---	0.54
GREIT Realty	1/10	0.30	0.30	---	NC	---	0.40
Gould Investors	12/14	0.23	0.225	+.005	+2.2	---	0.20
Great American Mtg.	11/29	0.305m	0.30	+.005	+1.7	---	0.245
Gulf Mtg.	11/16	0.47	0.46	+.01	+2.2	---	0.395
HMC Mortgage	11/30	0.54	0.54	---	NC	---	0.46
IDS Realty	11/30	0.73	0.65	+.08	+12.3	---	0.50
Investors Realty	11/16	0.35	0.34	+.01	+2.9	---	0.34
Larwin Mtg.	11/16	0.65	0.67	-.02	-3.0	---	0.67
REIT Mortgage	11/30	0.20	0.225	-.025	-11.1	---	0.27
Northwestern Financial	11/1	0.53	0.42	+.11	+26.2	---	0.29
Property Capital	11/30	0.38	0.41	-.03	-7.3	---	0.42
Realty Income	11/30	0.425	0.375	+.05	+13.3	---	0.30
Realty Refund	11/30	0.58	0.57	+.01	+1.8	---	0.53
Republic Mtg.	11/9	0.45	0.45	---	NC	---	0.45
Saul (B.F.) REIT	11/26	0.39	0.39	---	NC	---	0.37
Texas First Mtg.	11/5	0.56	0.55	+.01	+1.8	---	0.44
U.S. Realty	11/30	0.34	0.34	---	NC	---	0.34
Walter (Jim) Inv.	11/28	0.45	0.45	---	NC	---	0.22*
Washington REIT	12/5	0.30	0.30	---	NC	---	0.26
TOTALS (31 Trusts)b		\$14.945	\$15.225	-\$0.28	-1.8		

a-On shares when declared, may be lower if additional shares are out by ex-dividend dates.  
b-Excludes initial, monthly and extra declaration. c-Not compared, semi-quarterly prior to new share offering. NC-No change. M-Monthly. \*-Initial. Trusts with reduced dividend underlined.



	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	EST DIV*	EARNINGS MON	ANN*	LAST PRICE	% CHNG	P/E RATIO	EST* YIELD	% PR TO BK	RET ON BK	MKT VA (MIL\$)
EQUITY TRUSTS													
ARLEN PROP #	O-ARLNS	1012	14.37	1.64	SEP	1.68	11.25X	-23.5	6.7	14.6	-21.7	11.7	11.4
C I REALTY #	O-CIRLS	2609	22.52	1.20	AUG	0.60	9.25	-15.9	15.4	13.0	-58.9	2.7	24.1
CITIZENS GR#	O-CITGS	811	18.55	1.68	JUL	1.80	13.13X	-5.8	7.3	12.8	-29.2	9.7	10.6
CON ILL PRO#	N-CIE	4808	23.59	1.44	JUL	1.44	15.25	-14.7	10.6	9.4	-35.4	6.1	73.3
DENVER REI *	O-DENV	1091	9.46	0.60	DEC	0.72	7.38	-3.3	10.3	8.1	-22.0	7.6	8.1
FLORIDA GLF#	O-FGLFS	975	18.25	1.56	JUL	1.64	16.25	0.0	9.9	9.6	-11.0	9.0	15.8
FST FIDELTY#	O-FFITS	866	12.00	0.64	MAY	0.45	5.00	-7.1	11.1	12.8	-58.3	3.7	4.3
GENERAL GRO#	N-GGP	5554	6.91	0.92	SEP	1.04	14.13	-21.5	13.6	6.5	104.5	15.1	78.5
GIT REALTY#	A-GIM	1095	9.45	1.20	SEP	1.34	8.88	-5.3	6.6	13.5	-6.0	14.2	9.7
GOULD INVST#	A-GTR	1179	7.79	0.92	JUN	1.04	8.75	-2.8	8.4	10.5	12.3	13.4	10.3
GREIT RLY#	A-GRT	998	14.26	1.20	JUL	1.72	9.88	-4.8	5.7	12.1	-30.7	12.1	9.9
HUBBARD REI	N-HRE	4004	23.41	1.56	JUL	1.56	18.00	-7.7	11.5	8.7	-23.1	6.7	72.1
JMB REALTY#	O-JMBRS	510	18.27	2.00	MAY	1.84	17.25	-2.8	9.4	11.6	-5.6	10.1	8.8
MUTUAL REIT#	O-MUTRS	1433	6.90	0.15	JUN	0.11	2.25	-5.5	20.5	6.7	-67.4	1.6	3.2
NEW PLAN RLY	O-NPLNS	665	11.61	1.68	JAN	1.76	15.13	-3.9	8.6	11.1	30.3	15.2	10.1
PENN REIT#	A-PEI	1503	10.92	1.10	AUG	1.64	12.38	-4.8	7.5	8.9	13.4	15.0	18.6
REIT OF AMER	A-REI	1633	21.32	1.40	AUG	1.48	17.50	1.4	11.8	8.0	-17.9	6.9	28.6
SUMMIT PROP#	O-SMMTS	1433	9.97	1.25	JUL	1.20	12.00	-5.9	10.0	10.4	20.4	12.0	17.2
US LSG REI#	A-USE	1348	21.83	1.84	SEP	1.88	16.63X	-10.7	8.8	11.1	-23.8	8.6	22.4
WASH REIT#	A-WRE	1372	10.23	1.20	MAR	1.24	15.00	1.7	12.1	8.0	46.6	12.1	20.6
WISC REI FD#	O-WREI	1514	8.81	0.90	SEP	0.24	9.25	-5.1	38.5	9.7	5.0	2.7	14.0
GROUP AVERAGE		1734	14.31	1.24		1.26	12.12	-7.5	9.6	10.2	-15.3	8.8	471.6
EQUITY AND MORTGAGE COMBINATION TRUSTS													
AMER REALTY#	A-ARB	2117	7.99	1.00	MAR	0.92	9.50	-12.7	10.3	10.5	18.9	11.5	20.1
BERG ENT RG	A-BRT	1400	9.19	0.84	AUG	0.84	5.88	-18.9	7.0	14.3	-36.0	9.1	8.2
FIRST UNION#	N-FUR	3699	10.00	0.96	JUL	1.09	11.13	-6.3	10.2	8.6	11.3	10.9	41.2
FLATLEY RLT	O-FLTLS	1000	9.23	0.93	SEP	0.96	7.50X	-6.4	7.8	12.4	-18.7	10.4	7.5
FRANKLIN RLY	A-FR	998	10.07	0.48	SEP	0.48	5.25	-14.4	10.9	9.1	-47.9	4.8	5.2
INCOME MTG#	O-INMRS	1023	8.08	1.04	JUN	0.54	9.25	-7.5	17.1	11.2	14.5	6.7	9.5
INDIANA M&R*	O-INOMS	1154	18.74	1.72	SEP	1.88	15.75X	-12.5	8.4	10.9	-16.0	10.0	18.2
INVESTOR RL#	A-IRT	1579	12.36	1.40	AUG	1.44	11.00X	-11.9	7.6	12.7	-11.0	11.7	17.4
LINCOLN MTG*	O-LNMGs	1155	9.32	0.68	JUN	0.88	5.00X	-20.5	5.7	13.6	-46.4	9.4	5.8
MILLER HEN S	O-HSMTS	560	18.37	1.36	AUG	1.36	13.00	-10.3	9.6	10.5	-29.2	7.4	7.3
NJB PRIME	A-NJB	1250	19.88	2.56	AUG	2.52	18.75	-12.3	7.4	13.7	-5.7	12.7	23.4
PEASE ELLIMN	A-PNE	1114	18.39	1.80	SEP	1.88	14.38	-5.7	7.6	12.5	-21.8	10.2	16.0
RIVIERE RLY#	O-RIV16	783	9.24	0.96	JUN	0.81	9.50	0.0	11.7	10.1	2.8	8.8	7.4
RLTY INCOME	A-RIT	1516	14.35	1.70	OCT	1.72	14.50	-7.2	8.4	11.7	1.0	12.0	22.0
SAUL (BF)REI	N-BFS	5651	15.22	1.56	SEP	1.40	13.00X	-17.0	9.3	12.0	-14.6	9.2	73.5
US BANCORP #	A-UBT	821	23.64	2.52	AUG	2.72	24.25	-10.2	8.9	10.4	2.6	11.5	19.9
US REALTY#	N-UTY	3377	9.73	1.36	JUN	1.35	11.50	-14.8	8.5	11.8	18.2	13.9	38.8
WALTER JIM #	O-WALJS	1035	17.99	1.80	OCT	1.88	15.00	-9.1	8.0	12.0	-16.6	10.5	15.5
GROUP AVERAGE		1680	13.43	1.37		1.37	11.90	-10.7	8.7	11.5	-11.4	10.2	356.9
SUBORDINATED LAND TRUSTS													
CABOT LAND	N-CFT	2976	19.92	2.52	AUG	2.48	26.50	-9.4	10.7	9.5	33.0	12.4	78.9
ICM REALTY	A-ICM	3011	20.81	1.92	AUG	1.96	18.88	-12.2	9.6	10.2	-9.3	9.4	56.8
PROPERTY CAP	A-PCL	2065	13.90	1.52	OCT	1.52	13.75	-16.7	9.0	11.1	-1.1	10.9	28.4
GROUP AVERAGE		2684	18.21	1.99		1.99	19.71	-12.1	9.9	10.1	8.2	10.9	164.1
SHORT-TERM MTG-MTG BANKER													
ATICO MTG IN	N-ACO	2702	17.86	2.00	OCT	2.08	15.00X	-13.3	7.2	13.3	-16.0	11.6	40.5
BAIRD & WARNR	O-BAIDS	1026	19.54	2.03	JUL	2.00	16.13X	-9.2	8.1	12.6	-17.5	10.2	16.5
BARNES MTG	O-BARNS	1910	18.73	1.82	SEP	1.82	15.00X	-15.0	8.2	12.1	-19.9	9.7	28.6
CENTRAL MTG	O-CMRTS	775	18.22	2.12	SEP	2.20	17.75X	-9.2	8.1	11.9	-2.6	12.1	13.8
COLWELL MTG	N-CLM	1935	21.86	3.20	SEP	3.48	27.00X	-6.6	7.8	11.9	23.5	15.9	52.2
FIRST CONTNL	O-FCRES	2106	10.38	1.20	AUG	1.20	9.75	-15.2	8.1	12.3	-6.1	11.6	20.5
FRASER MTG I	O-FRASS	1038	16.93	1.92	AUG	1.92	15.25	-9.0	7.9	12.6	-9.9	11.3	15.8
GALBREATH FM	O-GALBS	1047	24.65	0.80	SEP	0.80	11.75X	-28.7	14.7	6.8	-52.3	3.2	12.3
GUARDIAN MI	N-GMI	2966	28.11	3.84	AUG	4.52	33.13	-11.7	7.3	11.6	17.9	16.1	98.3
GULF SO MTG	A-GSR	1161	18.83	2.56	SEP	2.56	15.88X	-16.8	6.2	16.1	-15.7	13.6	18.4
HAMILTON INV	O-HAMTS	2095	18.70	2.08	SEP	2.12	16.88	-12.3	8.0	12.3	-9.7	11.3	35.4
HEITMAN MTG	A-HTM	3228	11.85	1.56	SEP	1.64	12.38	-11.6	7.5	12.6	4.5	13.8	40.0
JUSTICE MTG	O-JUSTS	1105	18.34	2.96	SEP	2.96	23.38	-1.6	7.9	12.7	27.5	16.1	25.8
KMC MTG IN	O-KMTGS	1100	13.86	1.16	AUG	1.20	8.75	-18.6	7.3	13.3	-36.9	8.7	9.6
LARWIN MTG I	N-LWN	2009	18.72	2.60	SEP	2.60	19.50X	-14.3	7.5	13.3	4.2	13.9	39.2
LOMAS & NTLN	N-LOM	3700	33.24	3.92	SEP	3.92	40.25	-10.3	10.3	9.7	21.1	11.8	148.9
M&T MTG INV	O-MTMIS	1482	10.27	1.20	AUG	1.04	8.50	-16.1	8.2	14.1	-17.2	10.1	12.6
MIDLAND MTG	N-MMT	2262	13.06	1.72	SEP	1.72	14.25	-10.9	8.3	12.1	9.1	13.2	32.2
NATIONAL MTG	O-NMTGS	2334	10.53	1.48	AUG	1.52	11.38	-10.7	7.5	13.0	8.1	14.4	26.6
NO AMER MTG#	N-NAM	4400	14.59	2.56	SEP	2.56	26.00X	-12.7	10.2	9.8	78.2	17.5	114.4
PALOMAR MTG	A-PMI	1812	13.31	1.64	AUG	1.64	10.75	-23.2	6.6	15.3	-19.2	12.3	19.5
SUTRO MTG IN	N-SUT	2322	17.20	1.60	SEP	1.84	13.13X	-12.0	7.1	12.2	-23.7	10.7	30.5
TEXAS 1ST MT	O-TFMRS	1055	18.20	2.24	SEP	2.20	16.63X	-8.3	7.6	13.5	-8.6	12.1	17.5
TMC MTG INV	A-TMG	800	19.11	3.76	SEP	3.76	24.38	-9.3	6.5	15.4	27.6	19.7	19.5
UNIONAM M&EQ	A-UAT	2108	20.06	2.32	AUG	2.32	18.00	-20.5	7.8	12.9	-10.3	11.6	37.9
GROUP AVERAGE		1939	17.85	2.17		2.22	17.63	-12.4	7.9	12.3	-1.2	12.5	926.7

#CASH FLOW. \*GROSS CASH FLOW. @CASH FLOW INCLUDING DEBT DISCOUNT.



	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	EST DIV*	EARNINGS MON ANN*	LAST PRICE	% CHNG	P/E RATIO	EST* YIELD	% PR TO BK	RET ON BK	MKT VA (MIL\$)
SHORT-TERM MTG-INDEPENDENT												
CAPITAL MI	N-CMU	1645	23.59	2.76	SEP 2.84	21.50	-12.2	7.6	12.8	-8.9	12.0	35.4
CONTNTL MTG	N-CMI	16956	9.67	1.12	SEP 1.12	9.50	-12.7	8.5	11.8	-1.8	11.6	161.1
FIRST MTG IN	N-FIM	8482	14.90	1.96	JUL 1.88	14.00X	-21.2	7.4	14.0	-6.0	12.6	118.7
MTG INV WASH	O-MINVS	2120	13.96	1.76	SEP 1.80	15.25X	-7.0	8.5	11.5	9.2	12.9	32.3
REPUBLIC MI	N-RMI	2107	18.53	1.80	SEP 1.76	14.50X	-8.7	8.2	12.4	-21.7	9.5	30.6
WESTERN MI	O-WMTGS	1001	8.95	0.84	AUG 0.84	7.38	-13.2	8.8	11.4	-17.5	9.4	7.4
GROUP AVERAGE		5385	14.93	1.71	1.71	13.69	-12.6	8.0	12.5	-8.3	11.4	385.5
SHORT-TERM MTG-COMCL BANK												
AMER FLETCHR	A-AFM	1352	25.05	2.80	OCT 3.40	27.25	-3.5	8.0	10.3	8.8	13.6	36.8
BARNETT MTG	N-BMT	2059	21.67	2.80	SEP 3.00	23.25X	-12.5	7.8	12.0	7.3	13.8	47.9
CAMERON-BRNW	N-CB	2022	24.36	1.72	SEP 1.72	17.13X	-29.8	10.0	10.0	-29.7	7.1	34.6
CHASE MAN MT	N-CMR	4868	30.09	4.56	AUG 4.36	43.00	-23.7	9.9	10.6	42.9	14.5	209.3
CITINATL DEV	O-CITI6	600	18.45	1.00	SEP 1.08	10.00X	-4.7	9.3	10.0	-45.8	5.9	6.0
CITIZENS MI	A-CZM	1416	14.15	1.72	SEP 1.76	16.25X	-5.4	9.2	10.6	14.8	12.4	23.0
CITZNS&SO RL	N-CZS	3819	22.16	3.28	SEP 3.28	31.50	-17.1	9.6	10.4	42.1	14.8	120.3
CONT ILL RLY	N-CIR	2797	18.52	1.88	SEP 1.96	15.63X	-15.3	8.0	12.0	-15.6	10.6	43.7
FST COMMERCE	O-FCRNS	1008	22.98	2.32	SEP 2.16	21.00	-11.1	9.7	11.0	-8.6	9.4	21.2
FST DENVR MI	A-FDE	1595	18.72	2.72	SEP 2.76	21.13	-8.1	7.7	12.9	12.9	14.7	33.7
FST PENN MT	N-FPM	2957	20.80	1.92	OCT 1.96	17.13X	-16.7	8.7	11.2	-17.6	9.4	50.7
FST WISCN MT	N-FWM	1910	29.50	4.20	SEP 4.16	33.88X	-12.1	8.1	12.4	14.8	14.1	64.7
INDEPND MTG	O-INTGS	2500	22.95	2.52	SEP 2.52	13.00X	-35.5	5.2	19.4	-43.4	11.0	32.5
TRI-SOUTH MI	N-TSI	2669	22.10	3.04	SEP 3.12	26.50	-14.5	8.5	11.5	19.9	14.1	70.7
WACHOVIA RLY	N-WRI	3335	18.92	2.40	AUG 2.40	19.63	-21.1	8.2	12.2	3.8	12.7	65.5
WELLS FAR MI	N-WFM	3907	18.29	2.00	SEP 1.88	18.25X	-13.3	9.7	11.0	-0.2	10.3	71.3
GROUP AVERAGE		2426	21.79	2.55	2.59	22.16	-16.1	8.5	11.5	1.7	11.9	931.9
SHORT-TERM-MISC FINCL												
AMER CENTURY	N-ACT	2605	21.47	1.80	SEP 2.00	13.63X	-22.3	6.8	13.2	-36.5	9.3	35.5
BENEF STD MI	A-BSM	1316	22.57	3.08	OCT 3.36	22.50X	-10.5	6.7	13.7	-0.3	14.9	29.6
BUILDERS INV	N-BSG	2495	21.88	4.24	SEP 4.08	27.25X	-11.5	6.7	15.6	24.5	18.6	68.0
CI MTG GROUP	N-CI	4812	18.89	1.80	JUL 1.92	15.13X	-13.3	7.9	11.9	-19.9	10.2	72.8
DOMINION M&R	O-DMRTS	625	9.67	2.13	AUG 2.52	15.50	-11.4	6.2	13.7	60.3	26.1	9.7
FIDELITY MI	N-FID	3033	19.99	3.52	JUL 3.60	15.25	-40.8	4.2	23.1	-23.7	18.0	46.3
GRT AMER MI	N-GAA	4380	16.88	3.66	OCT 3.68	33.00	-10.2	9.0	11.1	95.5	21.8	144.5
HANOVER SQ R	O-HASQS	829	19.34	2.20	AUG 2.12	17.50	-5.4	8.3	12.6	-9.5	11.0	14.5
IDS RLTY TR	N-IDR	2408	22.84	2.92	OCT 2.76	29.25	-2.1	10.6	10.0	28.1	12.1	70.4
MTG TRUST AM	N-MT	3860	18.91	1.20	AUG 1.20	10.50	-19.2	8.8	11.4	-44.5	6.3	40.5
GROUP AVERAGE		2636	18.24	2.65	2.72	19.95	-14.1	7.3	13.3	9.4	14.9	531.9
INTERMEDIATE-TERM MORTGAGES												
ALISON MTG I	N-AMV	2298	20.61	3.04	JUL 3.04	26.25	-8.3	8.6	11.6	27.4	14.8	60.3
BARNET-WINST	O-BWITS	1663	18.74	2.00	SEP 2.00	16.00X	-18.5	8.0	12.5	-14.6	10.7	26.6
DIVERSIFD MI	N-DMG	7322	20.07	2.92	SEP 2.92	21.38	-10.0	7.3	13.7	6.5	14.5	156.5
FST VIRGINIA	A-FVM	1208	23.49	1.60	SEP 1.56	14.63X	-12.9	9.4	10.9	-37.7	6.6	17.7
RLTY REFUND	A-RRF	1045	18.58	2.32	OCT 2.32	17.88	-7.1	7.7	13.0	-3.8	12.5	18.7
SECURITY MTG	A-SMO	6787	10.74	1.12	SEP 1.16	8.00X	-11.7	6.9	14.0	-25.5	10.8	54.3
GROUP AVERAGE		3387	18.70	2.17	2.17	17.36	-11.1	8.0	12.5	-7.2	11.6	334.1
LONG-TERM MTG & EQUITIES												
ATLANTA NATL	O-ATNAS	1260	18.62	2.00	AUG 2.00	14.00	-13.8	7.0	14.3	-24.8	10.7	17.6
BANKAM RLTY	O-BRLTS	3523	19.19	2.00	OCT 2.00	23.25X	-15.2	11.6	8.6	21.2	10.4	81.9
BT MTG INVTR	N-BTM	2151	13.65	2.40	SEP 2.32	22.63X	-23.5	9.8	10.6	65.8	17.0	48.7
CLEVELTRST RL	O-CTRIS	2524	18.77	1.80	SEP 1.56	18.00X	-5.4	11.5	10.0	-4.1	8.3	45.4
CON GEN M&R#	N-CGM	5638	23.12	1.86	SEP 1.90	18.63	-16.8	9.8	10.0	-19.4	8.2	105.0
COUSINS M&EQ	N-CUZ	3746	21.14	2.44	AUG 2.44	25.00	-9.9	10.2	9.8	18.3	11.5	93.6
EQUIT LF MTG	N-EQ	5577	24.30	2.24	JUL 2.20	24.50	-2.0	11.1	9.1	0.8	9.1	136.6
FIDELCO GROW	A-FGI	1581	25.68	3.32	AUG 3.32	26.63	-19.0	8.0	12.5	3.7	12.9	42.1
FST MEMPHIS	O-FMEMS	1155	18.06	2.00	AUG 2.00	18.00	-11.7	9.0	11.1	-0.3	11.1	20.8
GULF MTG&RLY	A-GMR	2210	18.09	1.88	AUG 1.88	15.88X	-9.2	8.4	11.8	-12.2	10.4	35.1
HNC MTG&RLY	O-HNCMS	2376	20.24	2.16	OCT 1.96	17.75	-14.5	9.1	12.2	-12.3	9.7	42.2
HOSPITAL MTG	A-HMG	1178	23.26	2.20	AUG 2.16	17.00	-9.3	7.9	12.9	-26.9	9.3	20.0
HOTEL INVSTR	A-HOT	1525	20.51	2.08	AUG 2.12	15.25	-22.3	7.2	13.6	-25.6	10.3	23.3
INSTITUTNAL	N-INV	6074	13.49	1.40	JUL 1.48	11.00	-18.5	7.4	12.7	-18.5	11.0	66.8
LARWIN RLTY	A-LRM	3610	18.64	1.32	AUG 1.34	10.75	-12.2	8.0	12.3	-42.3	7.2	38.8
MASSMUT MTG	N-MML	4656	23.81	1.84	JUL 1.88	18.50	-9.2	9.8	9.9	-22.3	7.9	86.1
MONY MTG INV	N-MYM	8802	9.89	0.80	AUG 0.80	9.00	-16.3	11.3	8.9	-9.0	8.1	79.2
MTG GROWTH I	A-MTG	2652	12.58	1.20	AUG 1.12	12.00	-10.3	10.7	10.0	-4.6	8.9	31.8
NOWSTRN FINC	O-NFINS	1510	18.70	2.12	SEP 2.04	15.88X	-8.8	7.8	13.4	-15.1	10.9	24.0
NOWSTRN MUTL	N-NML	4718	19.41	1.96	SEP 1.96	23.38	-9.2	11.9	8.4	20.5	10.1	110.3
OLD STONE M#	O-OSMRS	768	13.17	1.28	SEP 1.40	13.38	-0.9	9.6	9.6	1.6	10.6	10.3
PACIFIC STHN	O-PSMHS	814	13.84	1.08	SEP 1.20	10.00	-16.7	8.3	10.8	-27.7	8.7	8.1
PNB MTG &RLY	N-PNI	2436	19.08	2.16	SEP 2.12	18.63	-14.3	8.8	11.6	-2.4	11.1	45.4
RAM PACIFIC	O-RPACS	1715	19.30	1.76	AUG 1.72	16.50	-3.7	9.6	10.7	-14.5	8.9	28.3
STATE MUTUAL	N-SMU	2784	19.41	2.20	SEP 2.16	18.00	-13.8	8.3	12.2	-7.3	11.1	50.1
GROUP AVERAGE		2999	18.64	1.90	1.88	17.34	-12.6	9.2	11.0	-7.0	10.1	1291.7



## WARRANTS

NAME	EXCH/ SYMBOL	EXP DATE	OUT (000)	EXER PRICE	NO. SH.	MTS PRICE	STK PRICE	CONV PREM	% CHG	MKT VA (MIL\$)
ALISON MTG	O-ALIS5	12/75	24	19.00	1.0	7.13	26.25	-0.5	-19.7	0.2
ALISON MTG*B	O-ALISW	12/76	396	27.50	1.0	1.63	26.25	11.0	-43.4	0.6
AMER CENTURY	A-ACTW	6/75	897	23.00	1.0	0.75	13.63	74.2	-33.6	0.7
AMER FLETCHER	A-AFMW	1/75	492	25.00	1.0	2.38	27.25	0.5	-32.0	1.2
AMER REALTY	A-ARBW	9/76	1000	9.63	1.0	1.13	9.50	13.3	-24.7	1.1
ATICO MTG IN	A-ACOW	12/79	563	15.00	1.0	3.25	15.00	21.7	-18.8	1.8
ATICO MTG(B)	O-ATIC5	4/81	358	21.00	1.0	1.13	15.00	47.5	-18.1	0.4
ATLANTA NATL	O-ATNAW	8/76	1260	20.00	1.0	0.50	14.00	46.4	-33.3	0.6
BARNES MTG	O-BARNW	12/77	1910	20.00	1.0	1.63	15.00	44.2	-27.6	3.1
BARNETT MTG	O-BMTRW	4/80	621	20.00	1.0	4.38	23.25	4.9	-35.1	2.7
BARNTT-WINST	O-BWITW	7/77	1657	20.00	1.0	1.75	16.00	35.9	-30.0	2.9
BENEF STD (B)	O-BSMB5	3/77	285	27.75	1.0	0.88	22.50	27.2	-46.0	0.3
BENEF STD MT	A-BSMW	7/75	604	20.00	1.0	4.00	22.50	6.7	-29.0	2.4
BERG ENT RG	A-BRTW	11/77	1400	10.00	1.0	0.63	5.88	80.8	-16.0	0.9
BT MTG INV	O-BTMGW	1/77	440	24.00	1.0	3.13	22.63	19.9	-45.6	1.4
BUILDER IN	O-BULDW	12/86	1985	25.00	1.0	6.00	27.25	13.8	-18.7	11.9
CAMERON-BROWN	O-CMRNW	11/76	1477	25.00	1.0	1.88	17.13	56.9	-39.9	2.8
CAPITAL MTG	O-CMORW	11/74	511	20.00	1.0	3.75	21.50	10.5	-21.1	1.9
CENTRAL MTG	O-CMRTW	3/77	775	20.00	1.0	1.50	17.75	21.1	-20.2	1.2
CI MTG GROUP	A-CI.W	3/80	2854	20.00	1.0	1.75	15.13	43.8	-36.4	5.0
CI REALTY IN	O-CIRLW	3/77	2609	25.00	1.0	0.38	9.25	174.4	-39.7	1.0
CITINATL DEV	O-CITI5	4/75	600	20.00	1.0	0.25	10.00	102.5	92.3	0.1
CITIZENS GRO	O-CITGW	1/77	785	20.00	1.0	0.38	13.13	55.2	0.0	0.3
CITIZENSMTG	A-CZMW	12/74	696	15.00	1.0	1.75	16.25	3.1	-26.5	1.2
CITZNS & SO	O-CSRIW	10/75	568	20.00	0.5	5.75	31.50	0.0	-33.4	3.3
CLEVETRST RL	O-CTRIW	1/76	2508	20.00	1.0	1.25	18.00	18.1	-9.4	3.1
COLWELL M(B)	O-CLWLW	9/76	298	31.38	1.0	2.50	27.00	25.5	0.0	0.7
COLWELL MTG	A-CLMW	12/74	349	20.00	1.0	7.75	27.00	2.8	-17.4	2.7
CONT ILL RLY	O-CONIS	4/74	179	20.00	1.0	1.00	15.63	34.4	0.0	0.2
COUSINS MTG	A-CUZW	2/77	740	24.63	1.0	3.38	25.00	12.0	-22.8	2.5
DENVER REIA	O-DENV5	5/76	177	11.00	1.0	0.38	7.38	54.2	0.0	0.1
DOMINION (B)	O-DMRTZ	10/87	550	17.75	1.0	2.25	15.50	29.0	-30.8	1.2
DOMINION M&R	O-DMRTW	6/76	411	12.00	1.0	4.63	15.50	7.3	-24.5	1.9
FIDELCO GROW	A-FGIW	9/75	140	25.00	1.0	6.25	26.63	17.3	-36.7	0.9
FIDELITY MTG	O-FIDE5	3/79	173	22.25	1.0	2.00	15.25	59.0	-20.0	0.3
FIR MEMPHIS	O-FMEMW	2/75	1124	20.00	1.0	1.00	18.00	16.7	-38.7	1.1
FIRST DENVER	A-FDEW	10/75	1440	20.00	1.0	2.25	21.13	5.3	-30.8	3.2
FIRST PEN(B)	O-FPMTZ	9/75	540	28.25	0.5	0.50	17.13	70.8	-33.3	0.3
FIRST PENN	O-FPMTW	7/74	1611	20.00	0.5	1.00	17.13	28.4	-27.5	1.6
FIRST UNION	O-FUREW	12/76	600	12.75	1.0	0.75	11.13	21.3	-14.8	0.4
FIRST VA MTG	A-FVMW	5/77	1208	25.00	1.0	0.63	14.63	75.2	-16.0	0.8
FLATLEY RLT	O-FLTLW	5/75	1000	10.00	1.0	0.75	7.50	43.3	0.0	0.8
GALBREATH FM	O-GALBW	1/76	653	32.00	1.0	0.25	11.75	174.5	-34.2	0.2
GUARDIAN MI*	A-GMIW	5/76	364	36.00	1.0	5.63	33.13	25.7	-23.7	2.0
GULF MTG&RL*	A-GMRW	3/76	2210	20.00	1.0	1.00	15.88	32.2	-38.7	2.2
GULF SO MTG	A-GSRW	2/77	759	20.00	1.0	1.25	15.88	33.8	-37.5	0.9
HAMILTON INV	O-HAMTW	7/76	1444	20.00	1.0	1.38	16.88	26.7	-21.1	2.0
HAMILTON INV	O-HAMTZ	5/83	650	20.00	1.0	2.00	16.88	30.3	-6.1	1.3
HOSPITAL MTG	A-HMGW	2/77	1178	25.00	1.0	1.13	17.00	53.7	-24.7	1.3
IDS RLTY TR	O-IDSRW	2/77	2408	25.00	0.5	2.75	29.25	4.3	120.0	6.6
INCOME MTG	O-INMRW	6/77	481	10.00	1.0	0.38	9.25	12.2	-24.0	0.2
INDEPEND MTG	O-INTGW	6/75	2500	25.00	1.0	0.63	13.00	97.2	-49.6	1.6
INDIANA M&R	O-INDMW	6/77	1141	20.00	0.5	0.88	15.75	38.2	-29.6	1.0
JMB REALTY	O-JMBRW	8/77	510	20.00	1.0	1.00	17.25	21.7	0.0	0.5
JUSTICE MI	O-JUSTW	1/76	1021	20.00	1.0	4.38	23.38	4.3	-2.7	4.5
JUSTICE MTG	O-JUSTZ	1/79	300	25.75	1.0	2.25	23.38	19.8	-14.4	0.7
KMC MTG IN	O-KMTGW	12/76	1100	15.00	1.0	0.38	8.75	75.8	-24.0	0.4
LARWIN MTG	O-LWN5	4/77	700	32.00	1.0	0.63	19.50	67.3	0.0	0.4
LARWIN RLT	A-LRMW	12/76	3610	20.00	1.0	0.56	10.75	91.3	-30.9	2.0
M&T MTG INV	O-MTMIZ	8/75	747	13.00	1.0	0.25	8.50	55.9	-50.0	0.2
MIDLAND MTG	O-MIDMW	9/76	267	12.50	1.0	2.37	14.25	4.4	-27.1	0.6
MTG INV WASH	O-MINWV	3/75	936	15.00	1.0	1.38	15.25	7.4	-31.0	1.3
MTG TRUST AM	O-MORTW	11/74	2482	19.00	1.0	0.44	10.50	85.1	-30.2	1.1
NATIONAL MTG	O-NMTGW	3/79	251	10.00	1.0	1.25	11.38	-1.1	-54.5	0.3
NO AMER MTG	O-NOAMS	12/74	80	24.00	1.0	2.25	26.00	1.0	-65.4	0.2
NORTH AM MTG	A-NAMR5	3/79	710	31.13	1.0	3.00	26.00	31.3	-33.3	2.1
NOWSTRN FINC	O-NFINW	11/77	1510	20.00	1.0	1.38	15.88	34.6	-35.2	2.1
OLD STONE MT	O-OSMRW	3/77	600	16.00	1.0	0.50	13.38	23.3	-33.3	0.3
PALOMAR MTG	A-PMIW	3/77	604	16.50	1.0	1.00	10.75	62.8	-11.5	0.6
PEASE ELLIMN	A-PNEW	11/77	1113	18.50	1.0	1.00	14.38	35.6	-27.5	1.1
PNB MTG&RLTY	A-PNIW	12/74	1220	20.00	1.0	1.50	18.63	15.4	-45.5	1.8
REPUBLIC MI	A-RMIW	6/79	1064	20.00	1.0	1.13	14.50	45.7	-18.1	1.2
RLTY REFUND	O-RREFW	6/74	1026	20.00	1.0	0.50	17.88	14.7	-50.0	0.5
SECURITY MT*	A-SMOW	5/79	3117	16.00	1.0	0.63	8.00	107.9	-37.0	2.0
SUTRO MIT(B)	A-SUTW	6/77	700	20.00	1.0	1.00	13.13	59.9	-20.0	0.7
SUTRO MTG IN	O-SUTR5	4/74	299	20.00	1.0	0.50	13.13	56.1	-20.6	0.1
TEXAS 1ST MT	O-TFMRW	6/76	1055	20.00	1.0	1.13	16.63	27.1	-39.9	1.2
TRI-SOUTH MI	O-TSMGW	12/74	440	20.00	0.5	3.50	26.50	1.9	-37.8	1.5
UNIONAM M&EQ	A-UATW	12/74	606	20.00	1.0	2.13	18.00	22.9	-48.4	1.3
US LSG REI	A-USEW	12/74	1348	25.00	1.0	1.25	16.63	57.8	-9.4	1.7
WALTER JIM	O-WALJW	7/77	1035	18.50	1.0	1.25	15.00	31.7	-23.3	1.3
WELLS FARGO	O-WELLW	7/74	3473	20.00	0.5	0.75	18.25	17.8	-25.0	2.6

\*DEBENTURES USABLE IN LIEU OF CASH.



# CONVERTIBLE DEBENTURES

DEBENTURE	EX	MAT	INT (%)	CONV AT	RECENT PRICE	YIELD (%)	% CHNG
ALISON MTG	AS	'91	6.75	27.50	93.00	7.3	-8.1
AMER CENTURY	AS	'90	7.00	21.00	75.25	9.3	-12.6
AMER CENTY'B	NY	'91	6.75	28.00	68.00	9.9	-5.7
AMER REALTY	OC	'84	7.00	10.75	93.00	7.5	-2.1
BAIRD&WARNER	OC	'91	6.75	21.00	76.00	8.9	-11.6
BANKAMERICA	OC	'90	6.75	21.00	108.50	6.2	-17.8
BENEF STD MI	AS	'91	6.50	27.75	79.00	8.2	-12.2
CAPITAL MTG	OC	'91	6.50	32.54	70.00	9.3	-2.8
CHASE MANHTN	NY	'96	6.50	55.00	94.00	6.9	-14.7
COLWELL MTG	OC	'91	6.50	29.38	91.00	7.1	-6.2
CONN GENERAL	NY	'96	6.00	32.50	74.25	8.1	-1.7
CONTNTL MTG	NY	'90	6.25	22.25	69.50	9.0	-7.9
EQUITBL LF M	NY	'90	6.75	26.25	95.13	7.1	-0.9
FIDELITY MI	AS	'85	7.75	21.25	87.00	8.9	-23.0
FIRST PENN M	OC	'91	6.75	26.00	72.00	9.4	-10.0
FIRST UNION	NY	'91	7.00	13.00	85.75	8.2	-3.7
FRANKLIN RLY	AS	'89	7.00	10.00	73.50	9.5	-2.2
GALBREATH	OC	'91	7.00	28.50	64.00	10.9	-8.6
GRT AMER MI	OC	'91	7.00	35.50	95.00	7.4	-5.0
HANOVER SQ R	OC	'92	7.25	21.00	79.00	9.2	-7.1
HEITMAN MTG	AS	'92	7.50	14.70	85.00	8.8	-7.6
HNC MTG	OC	'91	6.75	21.00	81.00	8.3	-15.6
HOTEL INVSTR	OC	'90	7.75	21.00	80.00	9.7	-14.9
HOTEL INVTRS	OC	'91	7.50	25.25	70.00	10.7	-9.1
LINCOLN MTG	OC	'90	8.00	11.00	67.00	11.9	-19.3
MASSMUTL MTG	NY	'90	6.75	21.00	91.00	7.4	-3.7
MASSMUTUAL M	NY	'91	6.25	33.50	70.25	8.9	-7.0
MIDLAND MTG	OC	'86	7.00	16.67	80.00	8.7	-11.1
MONY MTGIN	NY	'90	7.00	11.00	92.50	7.6	-4.6
MTG INV WASH	OC	'90	8.00	15.00	101.00	7.9	-8.2
NATIONAL MTG	OC	'91	7.00	12.00	94.00	7.4	-9.6
NJB PRIME	AS	'91	6.75	21.00	91.00	7.4	-8.3
NOWSTRN MUTL	NY	'91	6.00	21.00	109.00	5.5	-9.2
OLD STONE MT	OC	'87	6.88	15.00	88.00	7.8	0.0
RAM PACIFIC	OC	'91	6.75	21.00	78.50	8.6	-4.3
REALTY INCOM	AS	'91	8.00	16.50	85.00	9.4	-9.1
REPUBLIC MI	NY	'90	7.25	19.00	91.00	8.0	-3.6
SAUL (BF) RL	OC	'91	6.50	23.00	65.00	10.0	-7.1
SAUL (BF) REI	OC	'90	8.00	15.50	82.00	9.8	-18.8
STATE MUTUAL	AS	'91	6.75	21.00	92.50	7.3	-3.6
SUTRO MIT	NY	'82	6.75	20.00	77.00	8.8	-1.3
SUTRO MTG	AS	'91	6.75	20.00	78.00	8.7	-1.9
TRI-SOUTH MI	NY	'92	7.00	29.50	90.00	7.8	-12.6
US BANCORP	AS	'92	7.00	26.25	94.00	7.4	-7.2
US REALTY IN	NY	'89	5.75	20.20	61.00	9.4	-11.4

## HOW TO USE COMPARATIVE TRUST STATISTICS

The data inside are intended to facilitate comparison of relative efficiency of trust management with funds available during the latest period. Every effort has been made to present data for that purpose. Readers should note that the data are historical and not projections of future trends. This holds especially for dividends, which vary with each quarter's earnings for most mortgage trusts and thus are not to be considered in any way as guaranteed yields.

The heart of the comparisons is annualization of current earnings and dividend rates. For mortgage trusts, this is done by multiplying the latest quarter by four without seasonal adjustment. These earnings are adjusted for conversion of debt (i.e., fully diluted) but not for exercise of warrants, as described below. For equity trusts, net cash flow (defined as earnings plus depreciation and non-cash charges minus mortgage amortization) has been used and any known seasonal factors applied. The symbol "f" denotes use of cash flow in the earnings columns. Group averages may be reduced to the extent new trusts are included in any given group.

The number of shares outstanding is the number issued as of the latest balance sheet and is not adjusted for conversion or exercise of warrants. Book value per share however is adjusted for conversion of all convertible debentures. It does not reflect changes for any exercise of warrants nor does it reflect any adjustment for any changes in asset values through appreciation or losses.

Four standard comparisons are presented: price changes since the last issue; price/earnings ratios and estimated dividends based upon current market prices; and percentage of market price to book value. All values are positive unless indicated.

The fifth comparison, return on book value, measures management's performance with available funds. Because of the increasing complexity of trust capital structures, the computations are made in the following manner for trusts with these capital structures.

Convertible debentures only: Fully diluted earnings are compared with fully converted book value per share, since funds from convertibles are at work.

Warrants only: Primary earnings per share are compared with book value without assuming warrant exercise, since again this measures funds actually in use. Trusts in this category currently reporting significant differences and their primary and diluted earnings annual rates are listed at left.

Both warrants and convertibles: Fully converted book value is used. Primary earnings are being used because these are closest to converted earnings. Data for these trusts are slightly overstated. Where primary numbers are well above the dividend, the dividend is used and so noted. Trusts in this category are listed at left.

## GENERAL FOOTNOTES

\*COLUMNS ANNUALIZED-QUARTER MULTIPLIED BY FOUR. #CASH FLOW.  
X-EX DIVIDEND. @CASH FLOW INCLUDING DEBT DISCOUNT AMORTIZATION.  
SYMBOLS SHOWN ARE TICKER SYMBOLS FOR LISTED ISSUES AND NASDAQ  
SYMBOLS WHERE AVAILABLE. ALL OTHERS ARE FOR COMPUTER IDENTIFICATION.

## LISTING OF PRIMARY AND DILUTED EARNINGS

Warrants only: Amer. Fletcher, \$3.40 primary & \$3.20 diluted; Barnett, \$3.00 & \$2.36; Barnett-Winston, \$2.00 & \$1.84; BT, \$2.32 & \$2.28; Builders Inv., \$4.08 & \$2.80; Cameron-Brown, \$1.72 & \$1.72; CI Mtg., \$1.92 & \$1.92; Citizens Mtg., \$1.80 & \$1.40 (Jun); CleveTrust, \$1.76 & \$1.52 (Mar); Cousins Mtg., \$2.44 & \$2.36; Dominion, \$2.52 & \$1.96; Fidelco, \$3.20 & \$3.16; Ist. Memphis, \$2.00 & \$1.92; First Denver, \$2.32 & \$1.92; Hospital Mtg., \$2.52 & \$2.28 (May); IDS Rlty, \$2.48 & \$2.32; Mtg. Trust Amer. \$1.20 & \$1.20; M&T, \$1.04 & \$1.04; PNB, \$2.12 & \$2.08; Realty Refund, \$2.28 & \$2.08; Security Mtg., \$1.08 & \$1.08; Texas Ist. \$2.16 & \$2.16; Unionamerica, \$2.32 & \$1.80; Indepen., \$2.52 & \$2.52; Wells Fargo, \$2.24 & \$1.92 (Jun).

Warrants and Convertibles: Alison, \$3.04 & \$2.96; Amer. Century \$1.20 & \$1.20 (Jun); Atico \$2.08 & \$2.04; Ben Std., \$3.08 & \$2.60 (Jul); Capital, \$2.84 & \$2.52; Citizens & So., \$3.28 & \$3.04; Colwell, \$3.44 & \$3.20; Fidelity, \$3.60 & \$3.48; First Pa., \$1.96 & \$1.96; Galbreath, \$0.80 & \$0.80; Great American, \$3.48 & \$3.40; Guardian, \$4.40 & \$4.20; Midland \$1.72 & \$1.60; Mtg. Inv. Wash., \$1.80 & \$1.72; Nat'l. Mtg., \$1.52 & \$1.44; Republic, \$1.76 & \$1.76; Sutro, \$1.84 & \$1.76; Tri-So., \$3.12 & \$2.84.